

# Q1-2021 Durable Medical Equipment (DME) Update

## Market Update

Transaction activity in the first quarter of 2021 continued to build off the strong momentum following a highly active 12 months for DME M&A. Strategic consolidators continued to display an appetite for executing acquisitive transactions to either deepen an existing market footprint or to diversify revenue streams, while private equity investors executed on new platform investments in the sector, displaying the bullish sentiment on DME across the investor community.

M&A activity within DME is poised to continue its recent momentum as new private equity platforms seek to execute tuck-in acquisitions and large strategic consolidators continue to build scale.

## Notable Transaction



In March 2021, Chicago-based private equity firm New Harbor Capital recapitalized Pontiac, MI-based Advent Home Medical, a provider of respiratory care services and equipment to acute patients in an in-home setting. Advent also operates a full-service pharmacy to address patient medication needs.

The transaction represents a continuation of private equity investor interest in initiating platform investments in DME, following Gemini Investors recapitalization of AZ MediQuip in December 2020.

## Select Transactions:

Month	Acquirer	Target	Deal Description
March	American Medical Technologies	Restorix Health	American Medical Technologies (AMT), a provider of wound care, ostomy, urology, and tracheostomy supplies to long-term and post-acute facilities, has merged with RestorixHealth, a wound care management company offering wound care services across 230+ outpatient clinics and home-based settings. The merger will further extend RestorixHealth's footprint across the care continuum.
March	PromptCare Companies	NBN Infusions	PromptCare Companies, a New Jersey-based regional provider of complex respiratory and specialty home infusion services, has acquired NJ-based NBN Infusions, a specialty infusion and respiratory therapy services provider. The acquisition deepens PromptCare's presence in its target market, increasing its scale and patient reach.
February	AeroFlow	Family Medical Supply	AeroFlow Healthcare, an Asheville, NC-based provider of DME, has acquired Wheeling, WV-based Family Medical Supply, a provider of HME and incontinence supplies. The acquisition represents a continuation of AeroFlow's ongoing strategy of achieving growth and economies of scale via M&A.
February	Protech	Mayhugh's Medical Equipment	Protech Home Medical has acquired Jacksonville, FL-based Mayhugh's Medical Equipment, a respiratory focused provider with over 10,000 active patients. The transaction comes amidst a broader push by Protech to grow from a regional to a national home respiratory care provider by executing a series of acquisitions to grow its platform.

## Provident Industry Coverage Team

Kevin Palamara  
Managing Director  
kpalamara@providenthp.com  
(617) 226-4221

Brendan Schroeder  
Analyst  
bschroeder@providenthp.com  
(617) 226-4207